

**MINUTES**

**MONTANA SENATE  
55th LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON TAXATION**

**Call to Order:** By **CHAIRMAN GERRY DEVLIN**, on March 24, 1997, at 9:04 a.m., in Room 413.

**ROLL CALL**

**Members Present:**

Sen. Gerry Devlin, Chairman (R)  
Sen. Mike Foster, Vice Chairman (R)  
Sen. Mack Cole (R)  
Sen. Bob DePratu (R)  
Sen. Dorothy Eck (D)  
Sen. Wm. E. "Bill" Glaser (R)  
Sen. Mike Sprague (R)  
Sen. Barry "Spook" Stang (D)  
Sen. Fred R. Van Valkenburg (D)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Jeff Martin, Legislative Services Division  
Meg Angell, Committee Secretary

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: None  
Executive Action: HJR 2; SB 389; SB 372; HB 566

**EXECUTIVE ACTION ON HJR 2**

**MOTION:** SEN. MIKE FOSTER MOVED HJR 2 BE ADOPTED.  
*{Tape: 1; Side: A; Approx. Time Count: .7; Comments: None.}*

**DISCUSSION:** Committee members made the following comments:

**SEN. MIKE FOSTER:** The numbers were too low but the House increased them by approximately \$27 million. He supports that increase.

**SEN. BARRY STANG:** He was not happy with the Budget Office presentation the first time around. The figures are now more realistic.

SEN. MACK COLE: He agrees with SENATORS FOSTER AND STANG.

SEN. DOROTHY ECK: She believes the income tax estimate is still low.

VOTE: MOTION CARRIED UNANIMOUSLY.

*{Tape: 1; Side: A; Approx. Time Count: 5.8; Comments: None.}*

SEN. DELWYN GAGE will be asked to carry the bill. If he declines, either SEN. FOSTER or SEN. STANG will carry the bill.

EXECUTIVE ACTION ON SB 389

MOTION: SEN. STANG MOVED DO PASS ON SB 389.

*{Tape: 1; Side: A; Approx. Time Count: 6.5; Comments: None.}*

MOTION: SEN. STANG MOVED THE AMENDMENTS.

EXHIBITS 1 & 2

*{Tape: 1; Side: A; Approx. Time Count: 10.5; Comments: None.}*

EXPLANATION OF AMENDMENTS: Jeff Martin, Legislative Services Division.

VOTE: MOTION CARRIED 7-2 with SEN. ECK and SEN. VAN VALKENBURG voting no.

*{Tape: 1; Side: A; Approx. Time Count: 17.8; Comments: None.}*

DISCUSSION: There was further discussion of the amendments with input provided by Jeff Martin, LSD, and Mary Whittinghill, Department of Revenue.

MOTION/VOTE: SEN. STANG MOVED THE BILL AS AMENDED. MOTION CARRIED 8-1 with SEN. GLASER voting no.

*{Tape: 1; Side: A; Approx. Time Count: 24.5; Comments: None.}*

EXECUTIVE ACTION ON SB 372

MOTION: SEN. DOROTHY ECK MOVED DO PASS ON SB 372.

*{Tape: 1; Side: a; Approx. Time Count: 24.6; Comments: None.}*

EXHIBIT 3

DISCUSSION: Jeff Martin provides an explanation of the Amendments (Exhibit 3). Ms. Whittinghill clarifies what the effects of the bill will be as it relates to the process which will take place in the county treasurers' offices.

MOTION: SEN. ECK MOVED THE AMENDMENTS.

*{Tape: 1; Side: A; Approx. Time Count: 30.8; Comments: None.}*

DISCUSSION: SEN. FRED VAN VALKENBURG references the objections made by the Federation of Property Assessment people (FPA) - he questions if these amendments address the FPA's concerns.

Ms. Whittinghill indicates the concerns are taken care of by the amendments.

SEN. MACK COLE raises the issue of whether or not there is a need for the bill. SEN. MIKE FOSTER responds by asking if the sponsor of the bill is in support of the amendments. JEFF MARTIN responds the sponsor is in support of the amendments. SEN. FOSTER comments that the Committee's making decisions based on the concerns of the people who administer the changes is not good tax policy.

VOTE: MOTION CARRIED 5-4 with CHAIRMAN DEVLIN, SEN. COLE, SEN. GLASER and SEN. STANG voting no.

{Tape: 1; Side: A; Approx. Time Count: 40.8; Comments: None.}

EXECUTIVE ACTION ON HB 566

MOTION/VOTE: SEN. VAN VALKENBURG MOVED HB 566 BE CONCURRED IN. MOTION CARRIED UNANIMOUSLY.

{Tape: 1; Side: A; Approx. Time Count: 41.9; Comments: None.}

SEN. J.D. LYNCH will carry the bill.

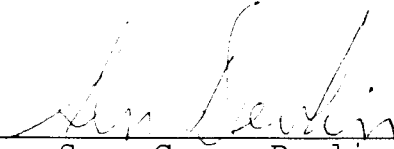
COMMITTEE BUSINESS: Brief explanation of bills which are yet to be acted upon or heard by the Committee.

EXHIBITS 4 - 7

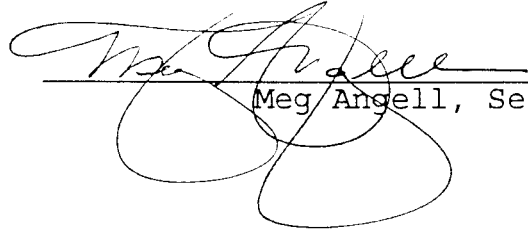
Exhibits 4-7 are information and forms provided by the IRS as requested by the Committee in reference to HB 434 - Tax Credit for Endowed Philanthropy.

ADJOURNMENT

Adjournment: 10:00 a.m.



Sen. Gerry Devlin, Chairman



Meg Angell, Secretary

GD/ma

Minutes taped on Sony BM 89-T.